

NCAPER Recommended Principles for Arts Funding in the COVID-19 Crisis and Other Crises

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In the spirit of serving our nation's artists, cultural workers, and arts and culture organizations — as well as the funders that seek to support them during emergencies in general and during the current coronavirus crisis in particular — NCAPER has articulated the guiding principles we have learned over the past fourteen years. Based on the combined experience of the members of NCAPER's Steering Committee, these principles have evolved from responding to individual and large-scale emergencies in the arts and cultural sector every single day for over a decade. They are informed by our collective awareness that any crisis further exacerbates the systemic economic fragility of our sector.

Only with more thoughtful planning, the financial stabilization of the field, and a focus on readiness and resilience can we adequately prepare for crises, which occur all too frequently. Moreover, NCAPER recognizes that however critical immediate support for any national, regional, or local crisis may be, we must work toward strengthening the general safety net for our sector, in alliance with others working with economically vulnerable populations and sectors.

We realize that many of you have provided arts emergency funding in the past, while others are new to the field, and that support mechanisms are arising daily at the individual, microgrant, private foundation, and local, state, and federal government levels. The development of new pooled funds and increased commitments from private philanthropy — in concert with public support — suggests that this is a moment when the awareness of the vulnerabilities in our field has been heightened. Accordingly, it is with the collective wisdom of NCAPER that we offer these guiding principles.

We believe that cultural workers, artists, their small businesses, and the nonprofit sector will be in need for months — and years — to come, and we hope that these principles can help guide you as you think through what programs

to create. It is only by working together with knowledge and support that we will be able to serve the needs of the many with parity and equity, and without duplication of effort.

GUIDING PRINCIPLES

Disaster Philanthropy Is a Marathon, Not a Sprint

Yes, the need is urgent now — but the need will be there for months and years to come. Funders must pace themselves and stage funding in waves, in order to ensure that there will be funds available for those that need them in the future. New needs will emerge; thinking strategically as a field about how, when, and where to onboard funding could be vital. We will be issuing further recommendations shortly on how to think about this issue strategically as a sector.

Disaster Philanthropy Should Be Based on Need, Not Merit

While arts funding is often tied to the evaluation of the work of an individual or organization, during disasters we recommend evaluating the legitimacy of an organization, artist, or cultural worker, as well as actual needs and losses. What constitutes a "working artist" may be individually determined by each funder — a standard definition entails regular

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and ongoing work in the field, as evidenced by exhibitions, sales, performances, and the like; training; teaching; receipt of grants, awards or honors; or simply an ongoing track record and commitment to one's practice. Please also remember that artists who are great mentors and those who practice in folk and traditional communities or disciplines (e.g., those in Native American communities) may not exhibit these criteria. Nonetheless, please take them into account — and note that the commercial success of an organization is not the only measure of its legitimacy.

Meet the Needs of Artists, Cultural Workers, and Arts Organizations More Equitably

We understand that some funders can only fund individuals, others can only fund organizations, and others have the ability to fund both. As a sector, we must seek to meet the needs of artists, cultural workers, and organizations in proportion to the numbers of people and groups

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impacted in the field — and in recognition of current imbalances in our arts and cultural ecosystem. Consider the following in terms of guidelines and applications:

- ability to process languages other than English — ensure this corresponds to your community's makeup
- accessibility (large type, audio recordings, the ability to process applications over the phone, TTY, TRS, VRS)¹
- alternative means to reach those who don't have digital access (snail mail, PSAs)
- how and where artists and organizations locate trusted news and information
- timing, such as whether you process applications on a rolling basis or reserve funds to account for those slow to awareness or not yet impacted (e.g., those ill with COVID-19 or a second wave of illness; those in rural areas; communities that take longer to recover)

Offer Education, Advocacy, and In-Kind Aid as Well as Financial Support

In order to meet individual needs and achieve the systemic changes that are necessary to serve the entire sector, we must work on several fronts simultaneously. Financial support without the guidance people need to navigate the larger relief system may cause them to rely solely on the arts and cultural sector relief system, which cannot fully meet their needs. Collective

advocacy is vital to educate the policymakers about our field and its needs. In-kind aid is a bulwark and supplement to financial aid. Ensure that you offer accessible accommodations for your educational offerings and language translation as necessary. Be prepared to act as an intermediary on behalf of your constituents with the government, and as an interpreter of government programs for them.

Some suggestions about the types of education and advocacy that will be needed, and which you can provide, include:

- technical assistance in applying for relief from government and private sources, including your own
- information on available professional resources, tools, and advice
- encouraging participation in relevant surveys to ensure needs and impacts are being captured
- raising awareness of and advocating for artist eligibility for government relief, including the pandemic unemployment assistance and SBA loan programs — particularly in light of the number of artists earning their income as freelancers and self-employed people
- guidance on how to communicate with elected officials in support of the field's needs

Awareness of Existing Programs Will Ensure Greater Equity in the Distribution of Funds

Know that the federal pandemic unemployment assistance program that has been enacted is suitable for individual artists, and that the SBA loan program may be suitable for some as well. The loan programs will be suitable for artist businesses and for the nonprofit arts sector.

Encourage All to Apply; Let the Government Determine Whether They Qualify

New federal programs may be coming onboard, as well as programs at local and state government levels, other private foundations, individual donors, and Go Fund Me-style programs. Understanding the existing landscape of relief — and how you can fill gaps or meet the needs of those who might not qualify for any of these other programs — can ensure that support will be more equitably distributed.

Educate Artists and Arts Organizations About All Available Programs (and Understand Where Else People Have Received Relief)

People will need guidance about these programs, especially the government ones, and you are a great place for them to get that knowledge — it will lessen their need for your support. The disaster unemployment program can provide them ongoing support for lost income for up to thirty-nine weeks, and we expect this

We have also long discussed the idea of creating a common application form for disaster funding from arts and cultural funders — such forms are invaluable for gathering and sharing data on common needs across the sector and beyond.

timeframe to be extended. As your funds may be limited, you may wish to direct them to those who haven't received relief elsewhere and/or don't qualify for the government programs — this will assure that more people and more organizations are helped.

There may be a need to identify other existing artist-centered or general organizations in impacted communities who are responsible for developing up-to-date information resources, and who are capable of providing technical assistance to help artists, cultural workers, and arts and cultural organizations gain access to other opportunities. Ensure that your constituents see themselves not just as artists, cultural workers, or arts organizations, but simply as people and businesses in need so that they apply for support from the widest range of general programs.

Operate From a Place of Trust, but Design for Fraud

Operating from a framework of trust is always the preferred approach, but several longtime arts emergency funders have found that fraud can occur in disaster relief funding. Additionally, charities may need to comply with IRS reporting requirements. "Trust and verify" is a good

approach — this involves asking people to sign attestations that the information they have provided in their applications is true, and asking for verification of losses or situations.

Many funders with ongoing emergency relief grants establish systems and commit significant staff time to better understand needs and to mitigate fraud. In moments of immediate crisis and great urgency — and as new funders enter the emergency relief space — questions will emerge as to which fraud protections are necessary, and which could potentially create barriers of access to artists in need. There are many different approaches to professional and financial verification. We recommend taking some time to consider these approaches in order to reach a decision about what is appropriate.

Be Nimble and Do Outreach to Those Who Are Not in the Center of the Arts World

Needs will change and shift and the ability to be flexible enough to pivot to meet them will aid the field immeasurably. The more you can work with your Board or government oversight agencies to adjust what might otherwise be organizational limitations on whom you can fund, the better off artists, cultural workers, and organizations in need will be. Can you help artist businesses? What about immigrant artists who are not citizens? Remember that many who need your support the most may not be connected to the communication channels — including social media — that many of us use day-to-day. Do your best to do outreach through non-traditional channels and organizations, including non-arts community organizations that have connections to these populations.

The Charitable Support You Provide — as Long as It's to a Charitable Class — Is Not Taxable Income

Internal Revenue Code section 139 provides that all "qualified disaster relief payments," i.e., those that "reimburse or pay reasonable and necessary personal, family, living, or funeral expenses incurred as a result of a qualified disaster" are not part of gross income and are not taxable, so long as payments from charities to individuals go to a "charitable class" — e.g., "all artists negatively impacted by COVID-19 in the United States."

Collaboration and Coordination Are Key

We are very excited to see the emergence of so much coordination, such as the creation of unified funds that are bringing together service organizations and funders nationwide. Not to discourage individual efforts at all — because the need is vast and emerging — but we recommend as much collaboration as possible (even the sharing of data among funders) while preserving privacy. This is one of the only strategies that will ensure that some do not receive aid from five sources and others from none. There are models for this.

We have also long discussed the idea of creating a common application form for disaster funding from arts and cultural funders — such forms are invaluable for gathering and sharing data on common needs across the sector and beyond. We're working on creating one for artists and one for arts organizations. Watch this space for a future communication from us dealing with this issue and providing some guidance based on the experience of our members, who have been longtime providers of emergency assistance to artists and arts organizations.

The National Coalition for Arts' Preparedness and Emergency Response (NCAPER) was founded in 2006 by arts service organizations, funders, and individuals nationwide after Hurricane Katrina revealed the absence of a safety net that served the nation's artists, arts organization, and cultural workers before, during, and after disasters. Some of its members, like the Actors Fund and CERF+, have been providing emergency support to artists for over 100 and 35 years, respectively — others are more recent, cutting their teeth in the arts disaster management space of 9/11 and Hurricane Katrina. Together, we have worked to build a nationwide "network of networks," to serve all members of the arts and cultural sector in a coordinated way through the development of resources, education, and advocacy.

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Joan Mitchell Foundation;

Ted S. Berger, executive director emeritus,
New York Foundation for the Arts; and

Ruby Lopez Harper, director of Local Arts Services,
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ENDNOTE

1. See <https://www.ada.gov/effective-comm.htm> for guidance on accessibility standards and recommendations on applications.